

MACQUARIE
UNIVERSITY



FACULTY OF
BUSINESS AND ECONOMICS

BUS827

**ENTREPRENEURSHIP AND BUSINESS
STRATEGY**

Semester 2, 2010

Department of Business

**MACQUARIE UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
UNIT OUTLINE**

Year and semester: Semester 2, 2010

Unit moderator: Dr Robert Jack

Teaching staff Mr. Julian Yim
Mr. Gareth Jude

Prerequisites - Students enrolling in this unit should be familiar with basic accounting, finance, marketing and general business concepts.

Not to be counted with: ACCG827, INOV827

Students in this unit should read this unit outline carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult the unit moderator, **Dr Robert Jack**.

ABOUT THIS UNIT

Entrepreneurship and Business Strategy (BUS827) is a postgraduate unit offered by the Graduate Studies Office as part of the Master of Commerce and Master of International Business programs. 4 credit points will be awarded to students who successfully complete this unit.

The purpose of this unit is to provide students with an understanding of the process that an entrepreneur employs to develop an idea into an opportunity and then into a thriving, valuable business. We will see how the application of sound principles of business strategy underpins the entrepreneurial process and is critical in achieving a successful outcome. Successful completion of this unit will provide students with knowledge and tools that will support you in your own entrepreneurial endeavours or equip you to contribute as part of an entrepreneurial team.

- **Skill Development:** Students will practise cognitive, interactive, and teamwork skills including analysis, synthesis, evaluation, reflection, critical thinking, problem-solving, critiquing, and communicating.
- **Creativity and Innovation:** The contribution of innovation and the creative process in entrepreneurship will be recurring themes throughout the course.
- **Venture Creation:** Students will learn the conceptual model for the entrepreneurial process of launching successful new ventures.

TEACHING STAFF

Moderator

Dr. Robert Jack

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Lecturer (North Ryde Campus):

Mr Julian W. Yim MBA, MAppSc, BSc, BA

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Consultation times: by appointment on Monday and Thursday afternoon.

Office location: E4A Level 6

Lecturer (City Campus):

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Email: gareth.jude@mq.edu.au

Consultation time: by appointment

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

The required text for BUS827 is:

- **Barringer, Bruce R and Duane, Ireland 2010, *Entrepreneurship: successfully launching new ventures*, 3rd edn, Prentice Hall, Boston.**

This textbook comes in a value pack which includes the software CD of Business Plan Pro, Entrepreneurship: Starting and Operating a Small Business & Business Feasibility Analysis Pro.

This text will be available for purchase at the Macquarie University Co-Op Bookshop. Additional readings and other materials, including powerpoint slides for each lecture, will be placed on the unit webpage and/or distributed in class.

UNIT WEB PAGE

A unit web page will be maintained on the university's online teaching facility (<http://learn.mq.edu.au>). This website will be used to communicate with students outside of class time, post reading materials and lecture notes and support assessment tasks. Therefore you should check the site regularly.

On entering the website you will be asked to enter a username and password. Your username is your standard Macquarie Student ID Number (an 8-digit number found on your Campus Card). Your password will be the original MQID password that was sent to you on enrolment (2 random characters followed by your date of birth in ddmmyy format), unless you have already changed your password in the myMQ Student Portal. Note that both your username and your password are CaSe SeNsItIvE.

LEARNING OBJECTIVES AND OUTCOMES

After successfully completing this unit you will be able to:-

- a) Gain an understanding the economic, technological, societal, and global dimensions of entrepreneurship.
- b) Understand the process how to conduct feasibility analysis and write up business plan to launch the new venture successfully.
- c) Understand the relationships between personal goals, competencies, and experience to assess what they bring to all types of ventures.
- d) Understand and practise idea generation and screening including opportunity analysis trends, feasibility and competitive analysis.
- e) Understand the audiences, purposes, components and the processes of developing and evaluating business plans for new ventures.
- f) Comprehend the issues and tasks involved in setting up a venture, marketing and financing the venture, and evaluating venture performance.
- g) Consider how to monitor venture performance, manage growth, and sustain organisations.
- h) Understand the basics of entrepreneurial finance: raising funds, growth financing, financial evaluation of opportunities, and acquisition financing.
- i) Understand and appreciate the leadership skills necessary to successfully plan and launch a new venture in an established organization.
- j) Know how resources can be maximized for both personal and corporate ventures.

In addition to the above discipline based learning objectives, all academic programs at Macquarie seek to develop students' generic skills in a range of areas. One of the aims of this unit is that students develop their skills in the following:-

- Foundation skills of literacy, numeracy and information technology;
- Your self-awareness and interpersonal skills, such as the capacity for self management, collaboration and leadership;
- Communication skills for effective presentation and cultural understanding;
- Critical analysis skills to evaluate, synthesise and judge;
- Problem solving skills to apply and adapt knowledge to the real world;
- Creative thinking skills to imagine, invent and discover.

In this unit, the interactive nature of the lectures, group work, use of real world examples and opportunities to apply models through individual assessment tasks will be helpful in achieving these objectives.

TEACHING AND LEARNING STRATEGY

Normally, there will be a lecture at the beginning of each class that will be used to present new concepts and tools that will contribute to students' understanding of the subject area and assist you to complete assessment tasks. These lectures will be interactive and will use real life examples where possible. In order to prepare for these lectures students are required to complete the readings for this session in advance. These readings are set out in the week-by-week timetable that can be found at the end of this course outline.

The second part of each class will be used to complete in-class exercises that will provide students with an opportunity to put the concepts and tools discussed during lectures into practice. Some of these in-class exercises will be completed outside of class time and will be collected the following week. These collected exercises will contribute to your individual assessment.

Students will be placed into groups at the beginning of the course. Groups will work together to complete a group assignment. This group assignment will concentrate on implementing a small number of the key tools discussed during the course. The second part of some classes will be used to allow groups to work on some particularly critical parts of their group assignments.

Having said this, since BUS827 incorporates the lecture and tutorial in one 3-hour session, **classes may move between lecture and tutorial elements (including student presentations) in order to break-up the class and ensure an optimal learning environment.** After all, we're learning about being entrepreneurial!

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

The purpose of the assessment tasks is to demonstrate that students have met the learning objectives as set out above. The following table describes the relationship between the assessment tasks and the learning outcomes:-

Assessment Task	% of Total Marks	Due Date	Learning Outcomes
1A) Feasibility Analysis Report (10%) and Presentation (10%) (Group)	20	Week of 30 August (Report: Week 5) (Present: Week 5 & 6)	a, b, d, e, f, g, h, i and j
1B) Business Plan Report (20%) and Presentation (10%) (Group)	30	Week of 25 October (Report: Week 11) (Present: Week 12 & 13)	a, b, d, e, f, g, h, i and j
2) Individual Class Participation	10	Ongoing	a, b, c, d, e, f, g, h, i and j
3) Individual Analysis Report on Chosen Entrepreneur	20	Week of 13 September (Week 7)	a, d, f, g, h, i and j
4) Individual Case Study Analysis (Two cases, 10% each)	20	Week of 11 October and 1 November (Week 9 & 12)	a, d, f, g, h, i and j

Please note that there is no final examination in this unit.

ASSESSMENT TASK 1 A & B:

Feasibility Analysis and Business Plan for New Venture Creation (50% of total marks)

Successful entrepreneurs are able to build teams and work well within them. This group assignment provides students with the opportunity to work in a team environment while at the same time delivering the key elements of a business plan.

During the first class you will be assigned to a group of 4 to 5 students. This assessment task consists of two parts, *feasibility analysis* (20%) and *business plan* (30%) for new venture creation. Your group should meet at least once a week to follow up the progress of the project. Each group member should participate equally and enthusiastically towards the final write-up of the group report and group presentation. Individual presentation mark will be given according to his/her thorough preparation for presentation. In each part, a group report has to be submitted on the due date. The summary of the report will be presented by the group to the whole class. Allocation of assessment mark for each part can be referred to the Assessment Task Table above.

What product or service should your group consider?

This is entirely up to your group. You may consider recent inventions that have been considered on programs like The New Inventors or can find on the web in coverage of design awards winners and finalists. Alternatively, you may consider a new niche within an existing industry. For instance, the international education sector is currently experiencing a good deal of turmoil. Nonetheless, it remains a sector that should prove very profitable in the years ahead given the demand for higher education throughout the Asia-Pacific region. Your group should brainstorm a number of alternatives before deciding on that on which you will focus. Think outside the square. For example, would it be feasible to offer a credit card whose interest rate is 2% less than the average of the leading providers in this market? Be creative!

For example, the ageing population, Generation Y preferences for new forms of media, and rapidly changing technologies in healthcare provide further areas for possible consideration etc.

1A. Feasibility Analysis (20% of total marks)

It is the process of determining if a business idea is viable. As a preliminary evaluation of a business idea, a feasibility analysis is completed to determine if an idea is worth pursuing and to screen ideas before spending resource on them. There are four stages of feasibility analysis needed to be done in this part of assessment such as product/service feasibility, industry/target market feasibility, organizational feasibility and financial feasibility. First Screen (Appendix 1 in this outline) is a template for completing a feasibility analysis. It is called First Screen because a feasibility analysis is an entrepreneur's initial pass at determining the feasibility of a business idea. If a business idea cuts muster at this stage, the next step is to complete a business plan.

The major issues to consider in each stage of feasibility analysis can be incorporated in the group report (Report Format):

- A. Product/Service Feasibility Analysis
 - 1. Product/Service Desirability
 - 2. Product/Service Demand
- B. Industry/Target Market Feasibility
 - 1. Industry Attractiveness
 - 2. Target/Market Attractiveness
- C. Organizational Feasibility Analysis
 - 1. Management Prowess
 - 2. Resource Sufficiency
- D. Financial Feasibility Analysis
 - 1. Total Start-Up Cash Needed
 - 2. Financial Performance of Similar Businesses
 - 3. Overall Financial Attractiveness of the Proposed Venture

Report and Presentation– In this class, each group will present for *15-20 minutes*, providing information to the class about your group determination for the viability of a new business idea. Your group have to draw conclusion whether the new business idea is worth pursuing before spending resource on them. Class colleagues will be invited to critique your ideas. Each group must provide a copy of their slides to the lecturer during the class. If the feasibility analysis is passed, your group can continue to the next phase of venture creation by writing up the business plan.

The Feasibility Analysis Report to be submitted to the lecturer on Week 5 should be a maximum of **6 pages** (plus any relevant appendices including the filled First Screen template). Softcopy of the report should be sent to the lecturer via email. Please note that evidence of clear thinking and an appreciation of the process is far more important than the volume of information generated. In general, the structure of this report should incorporate the all criteria listed above in the report format.

1 B. Business Plan (30% of total marks)

It is a written narrative, typically 25 to 35 pages long, that describes what a new business plans to accomplish and how it plans to accomplish it. For most new ventures, the business plan is a dual-purpose document used both inside and outside the firm. Inside the firm, the plan helps the company develop a “road map” to follow in executing its strategies and plans. Outside the firm, it introduces potential investors and other stakeholders with the business opportunity the firm is pursuing and how it plans to pursue it.

Your group is required to work together through the semester to build a business plan for a new venture by completing the following tasks based on the Feasibility Analysis Report (First Screen):

1. From the ideas generated by your team select several opportunities to be screened. Screen these opportunities using the tools you have been exposed to in this unit. Select one opportunity that will form the basis of your new venture (from Feasibility Analysis Report - First Screen).
2. Create a business plan for your new venture that will encourage investors and debt providers to back you.
3. Recommend a team and organisation structure that will best support your new business.
4. Generate a financing plan that recommends the most appropriate funding sources and provides support for this recommendation.
5. Finally, recommend a harvest plan or exit strategy for your organisation that provides the maximum value for the initial investors.

Outline of the Business Plan (Report Format)

1. Cover Page and Table of Contents
2. Executive Summary
3. Company Description
4. Industry Analysis
5. Market Analysis
6. Marketing Plan
7. Management Team and Company Structure
8. Operations Plan
9. Product (or Service) Design and Development Plan
10. Financial Projections
11. Appendix
 - Table: Sales Forecast
 - Table: Personnel
 - Table: Profit and Loss
 - Table: Balance Sheet etc

There are many software packages available that employ an interactive, menu-driven approach to assist in the writing of a business plan. Some of these programs are very helpful. In this unit, *Business Plan Pro* software is being adopted to enhance the skills of business plan writing. Each member should install this software in his/her own notebook and get a lot practices at home and in tutorials. **At least one member** from each group should bring the notebook to class so that the whole group can use it for group meeting and participate in class work for the business plan writing during the tutorial. There are samples of business plans in the software for your self-learning. Be aware that students cannot copy the content from sample plans. When it is found out, it is considered as plagiarism. The penalty is very serious.

Report and Presentation– Groups will be allocated to present between Week 12 and 13 for the highlights of their Business Plans for a maximum of **25 minutes**. Each group must provide a copy of their slides to the lecturer during the class. Questions and answers will consume a further 5 to 10 minutes. Class colleagues will be invited to critique your ideas. The Business Plan Report to be submitted to the lecturer on Week 11 should be a maximum of **30 pages** (plus any relevant appendices). Softcopy of the report should be sent to the lecturer via email. Please note that evidence of clear thinking and an appreciation of the process is far more important than the volume of information generated. In general, the structure of the Business Plan should incorporate all the criteria listed above in the report format.

Time will be provided during class for your groups to meet and discuss progress with the lecturer.

Business Plan Competition:

The winner of the best group business plan will be encouraged to enter the business plan competition organised by University of Queensland. <http://www.enterprize.uq.edu.au/>

ASSESSMENT TASK 2:

Individual Class Participation (10% of total marks)

Postgraduate learning relies on adult learning principles. In adult learning, students take responsibility for significant elements of their own learning. In addition, since we learn in different ways and often learn most by considering the views of others and offering our opinions for constructive critique, class interaction is critical. This will occur in both lectures and tutorials (since we consider these together as a 3-hour seminar). To maximise your grade for this assessment task, it is strongly suggested that you prepare for class by undertaking the readings and tutorial questions/activities/exercises. Get to class on time, come along with a positive attitude, and be prepared to share.

ASSESSMENT TASK 3:

Individual Analysis Report on Chosen Entrepreneur(s) (20% of total marks)

You are required to do research on the chosen entrepreneur that you would like to study and his/her related companies. You can discuss the life of a well-known or less well-known entrepreneur. It could be someone in your family, someone you know, or someone you have tracked down in the literature (newspapers, magazines, books, internet). One suggested way to prepare for this analysis report would be to find a biography or autobiography that you can read from cover- to-cover in preparing this assignment. You can consult your lecturer for confirmation of your choice if you have difficulty.

We do not need to know the “boring basics” of this person’s life. What we would like to know about are the most interesting experiences, lessons, decisions and “tipping points” in their life. For instance, Lee Iacocca led the turnaround of Chrysler in the 1970s after being sacked as President of Ford. Theoretically, Iacocca was an “intrapreneur” rather than an “entrepreneur”, however intrapreneurs are also relevant for our unit.

By putting all the required information, you have to write a concise, clear and well edited report with your findings and recommendation of solution for major company issues related venture creation. The group report is no more than **2,000 words** in length. You are required to consult and provide full references of your findings or theories/concept. There is no limit on the number of references. You should balance your reference sources from books, edited books, Internet (www), journal articles from the full-text databases, current affairs magazines and newspapers. ***The use of WIKIPEDIA online encyclopaedia is not allowed because of the anonymous authors.*** You must use the Harvard referencing style to acknowledge your sources of information (both in-text and as a reference list at the end).

Regarding the analysis report format, you must include:

- **Executive summary**
- **Contents with page number**
- **Introduction**
 - description of chosen entrepreneur with name, job title and personality etc
- **Company information**
 - company background with brief history description, product range, organisational structure/design etc
- **Entrepreneurial process**
 - critical incidents involved in each process step from the Six steps model of integrated entrepreneurial process by Morris, Kuratko and Schindehutte (2001) in Week One lecture
- **Major company issues with recommendation**
- **Conclusion**
- **Reference list**

The 2,000 word limit includes all sections except the Executive Summary (maximum ONE page), Contents Page and the Reference List at the end of the report. **The report is due on Week 7 (Week of 13 September 2010)**. The report must conform to the guidelines for written assessments detailed in this unit outline. This assessment must also conform to rigorous academic standards, especially with regards to referencing.

ASSESSMENT TASK 4

Individual Case Study Analysis (20% of total marks)

Each student will be asked to analyse two case studies from the textbook. There are four questions in each case study. The answers in each analysis report should not exceed **four (4) pages** with font size 12 and 1.5 line spacing. Each report is worth 10%.

Case Study One (Due on Week 9)

Case 10.2 Zazzle: Will the Company Disappoint or “Dazzle” Its Investors? (Textbook p345-347)

1. So what do you think? Do you think Kleiner Perkins and Sherpalo Ventures made a wise decision investing \$16 million in Zazzle? Five years from now, do you think that Zazzle will have disappointed or dazzled its investors? Why?
2. Look at Table 10.1 in the chapter. At the time that Zazzle raised venture capital funding, to what extent did it resemble the ideal candidate for venture-capital funding as stipulated by the materials in the table?
3. Evaluate Jason Ball’s (the blogger) criticism of Kleiner Perkin’s investment in Zazzle. Do you think Ball makes some good points or do you think his arguments are off base? Explain your answer.
4. What do you think is Zazzle’s exit strategy? How will Kleiner Perkin’s and Sherpalo Ventures recoup their investment?

Case Study Two (Due on Week 12)

Case 14.1 Cranium: Growing Aggressively But Carefully (Textbook p. 480-482)

1. Would you characterize Cranium as a rapid growth firm? If so, what steps did Cranium take to prudently manage its growth?
2. Prior to its acquisition by Hasbro, Cranium did not acquire any firms itself as part of its growth strategy. Why do you think Cranium avoided this growth alternative? Would mergers and acquisitions be an effective growth strategy for Cranium? Explain your answer.
3. Which one of the growth strategies covered in this chapter do you think represents the most fruitful strategy for Cranium, moving forward? Why?
4. Why do you think Hasbro acquired Cranium? Are you surprised that Tait and Alexander will be leaving the company? Do you think Cranium will become a more popular or a less popular game now that it is a fully owned subsidiary of Hasbro? Explain your answer.

GUIDELINES FOR WRITTEN ASSIGNMENTS

All BUS827 assignments submitted for assessment must adhere to the following standards.

1. Cover Page

For each of the four assignments, use a cover (or title) page that provides the following information:

- (a) your full name and student number;
- (b) contact details: email address;
- (c) unit code and name (BUS827 – Entrepreneurship and Business Strategy);
- (d) assignment number and assignment title;
- (e) an exact word count if required—not a guess or approximation—of the number of words in the body of your assignment. (Use Word’s Tools menu and click on Word Count.)

2. Presentation of Assignments

Assignments should meet normal academic and professional standards of presentation, including:

- (a) all pages, excluding the cover page, should be numbered;
- (b) page margins should be at least 2.5 cm on all four edges and 1.5 line spaced;
- (c) assignments should be free of typographical & grammatical errors;
- (d) Time New Roman font type and font size of 12 points should be used.
- (e) Harvard referencing system should be used.
- (f) Turnitin receipt email. This email provides time and date proof of assignment submission to the Turnitin system; and
- (g) printed copy of the originality report from Turnitin. Do not copy and paste onto a Word document for printing. It has to be the original printing straight from the web site.

Any assignment submission not containing the cover sheet, a print out of the Turnitin receipt email stating time/date of submission and the Turnitin originality report with percentage of similarity will not be marked.

3. Plagiarism

All assignments are to be entirely your own individual work if it is a designated Individual Assignment. Macquarie University has adopted an online plagiarism detection tool called Turnitin (<http://www.turnitin.com/static/index.html>).

4. Submission Procedures

Besides the hardcopy submission, the student is also required to submit their electronic copy of assessment to Turnitin via the Internet as part of the submission process for assignment. Your assignment will then be automatically compared to work of your classmates, previous students from Macquarie and other universities, with material available on the Internet, both freely available and subscription-based electronic journals. Before submission, name your electronic file in a Word document (i.e. not PDF, PowerPoint, etc) with your surname and student number, e.g., Jones20101309. For group assignment, you can name it with your company name. To avoid any potential plagiarism issues you or your group can submit the assignment more than once up to the due date. Please make sure that only one member of your group can submit the report to Turnitin for plagiarism check. Students must use their Macquarie University email address as their Turnitin username for logging in the system. The class password for Turnitin and the instructions to use it will be provided well before the assignment is due. **The deadline for all assignment submission to Turnitin is 23:59 hours on the day before your class (Monday or Thursday). However, you should allow at least 3 hours for processing as sometimes the system can be slow.** After successful submission, digital receipt and originality report with percentage of similarity will be generated for your printing or storage. Make sure you attach these two extra documents (digital receipt and originality report) together with your hardcopy of assignment for submission during the class time in the due week. Softcopy of the assignment in Word format has to be sent via email to your lecturer on the same day.

Please read the Turnitin Student User Guide which is available in the Blackboard for more information.

5. Late Submissions

Special arrangement has to be made for late submission. It will incur penalties. The standard penalty is a deduction at the rate of 10% of the assignment's maximum mark for each day late. All requests for extensions must be in writing, fully documented, and be received before the due date. Requests for late submission are generally only acceptable on formal, "certifiable" medical grounds. However, if you have a problem please talk to your lecturer as early as possible. Generally speaking, late submissions attract a significant penalty.

6. Feedback

We will endeavour to mark with marking guides and return assignments within two weeks after the due date so that you can benefit from the feedback.

GRADES

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG). On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should achieve similar results.

It is important that you realise that the policy does not require that a minimum number of students are to be failed in any unit. In fact it does something like the opposite, in requiring examiners to explain their actions if more than 20% of students fail in a unit. The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark.

For an explanation of the policy see
<http://senate.mq.edu.au/rules/Guidelines2003.doc> or
<http://senate.mq.edu.au/rules/detailedguidelines.doc>

Weekly Schedule

Week	Week Begins	Lecture Topic	Text Readings	Tutorial	Assessment
1	2 August	Introduction to Entrepreneurship	Chapter 1	Unit Overview; Intro. To Business Plan Pro (I)	
2	9 August	Feasibility Analysis	Chapter 3	Intro. To Business Plan Pro (II); Feasibility Analysis Template	
3	16 August	Writing a Business Plan	Chapter 4	Practice of Business Plan Pro	
4	23 August	Recognising opportunities and Generating Ideas	Chapter 2	Practice of Business Plan Pro; Case 2.1 (p67-70)	
5	30 August	Industry and Competitor Analysis	Chapter 5	Group Feasibility Analysis Presentation (I)	Group Feasibility Analysis Report Due
6	6 September	Developing an Effective Business Model and Building a New-Venture Team	Chapter 6 & 9	Group Feasibility Analysis Presentation (II); Case 6.1 (p201-203)	
7	13 September	Preparing a Proper Ethical and Legal Foundation	Chapters 7	Group Business Plan Discussion	Individual Analysis Report on Chosen Entrepreneur
		Mid-Semester Break <i>(18 Sept – 4 Oct, 2010)</i>			

Week	Week Begins	Lecture Topic	Text Readings	Tutorial	Assessment
8	5 October	Assessing a New Venture's Financial Strength and Viability	Chapter 8	Case 8.1 (p278-280)	
9	11 October	Getting Funding or Financing; Local Venture Capitalist or Business Angel Case 10.1	Chapter 10	You Be the VC 10.1 (p341)	(Individual) Case 10.2 Due (p345-347) Discussion Questions 1 to 4) Due
10	18 October	Unique Marketing Issues Case 11.2	Chapter 11	Business Plan Project Wrap-up; Case 11.2 (p382-394)	
11	25 October	The Importance of Intellectual Property	Chapter 12	Business Plan Presentation (I)	Group Business Plan Report Due
12	1 November	Preparing For and Evaluating the Challenges of Growth and Strategies for Firm Growth	Chapter 13 & 14	Business Plan Presentation (II)	(Individual) Case 14.1 (p480-482) Discussion Questions 1 to 4) Due
13	8 November	Business Plan Presentation (III)			

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

USEFUL WEBSITES FOR BUS827

Australian Government Initiative

<http://www.business.gov.au/Pages/default.aspx> offers you simple and convenient access to all the government information, forms and services you need. It's a whole-of-government service providing essential information on planning, starting and growing your business.

Australian Industry InnovationXchange Network <http://innovationxchange.com.au>

A collaborative website that seeks to address the important issues of innovation. It is an initiative of the Australian Industry Group.

Business Entry Point <http://www.business.gov.au>

A Commonwealth government initiative that makes it easy to search and deal with all levels of government including 50 Commonwealth government agencies, 100 state agencies and 125 industry associations.

All Business Network <http://www.all-biz.com>

An in-depth source of information for people who are already in business and for those just starting out. Navigation is easy and many links are included. Good bibliography of print publications.

AVCAL <http://avcal.com.au>

Australian Venture Capital Association Limited

Baker Library, Harvard Business School <http://www.library.hbs.edu>

The Baker Library Web site contains a wealth of information about publications on a wide range of business topics. The Bibliographies and Guides section contains an extensive, annotated bibliography of books, serial publications, and Web sites on small business and high growth companies. Other annotated bibliographies help users find company, industry, and financial services information sources.

Bread TV <http://www.breadtv.com.au>

Bread TV is an Australian lifestyle TV show showcasing small business using real life case studies about the trials and tribulations of running a small business. The website provides deeper content around the stories and features practical, hands-on business advice.

Business Owners Toolkit. Riverwood, IL: CCH, Inc. <http://www.toolkit.cch.com>

Features advice from the SOHO Guidebook, as well as a collection of business forms and selected current news of interest to small business owners. They also have a fee based premium service that allows you to search proprietary databases.

Business Resource Center <http://www.morebusiness>

A very thorough site that offers tips for getting started, advice, a free newsletter, weekly business tips, marketing tips, management center, financing guide, legal clinic, profitability tips, information about upcoming trade shows, tax talk, and other business links.

Business Week Enterprise. New York: Business Week.

<http://www.businessweek.com/smallbiz>

Features news, article archives, and resources for finance, technology, market research, staff and benefits, travel, and more. Some features are unique to *Business Week*, with others the partner with other information providers such as the Business Owners Toolkit, DRI/McGraw Hill, and Standard & Poors.

Career Leader™ <http://www.careerdiscovery.com/hbsp>

Career Leader™ is a fully integrated approach to business career self-assessment developed by Dr. James Waldroop and Timothy Butler, Directors of MBA Career Development Programs at Harvard Business School.

CEOExpress <http://www.ceoexpress.com>

Based on the principle that 80% of the useful information on the Internet comes from a small percentage of the Web sites, CEOExpress was designed to provide links to the best business sites for targeted business applications and research. Not just for entrepreneurs, this site contains the bookmarks for the best business information sites. Updated daily.

Edward Lowe Foundation/Small Biz Net <http://www.lowe.org>

Sponsored by the Edward Lowe Foundation, this Web site offers features such as current small business news, seminars, current events, digital library, Edge Online, and the small biznet exchange. Includes links to government & private sites.

Entre World. Kansas City, MO: Ewing Marion Kauffman Foundation Center For Entrepreneurial Leadership Inc. <http://www.entreworld.org>

This Web site gives advice on starting and running your business; includes service directories and useful links for small businesses.

Entreprize Competition <http://www.enterprize.uq.edu.au/index.html>

University of Queensland Business School's Enterprize Competition is open to all entrepreneurs with a business idea that is ready to launch. Enterprize provides seed capital to promising start-up companies and gives participants the opportunity to have their business plan reviewed by potential investors. Fostering networking with venture capitalists and business angels, it could be the perfect launch-pad for your new venture.

FinanceHub <http://www.financehub.com>

Finance Hub offers many options for seekers of venture capital and investors. Includes information on venture capital companies, law advice, banking information, and articles on how to obtain venture capital. Entrepreneurs can list their companies for free in the Finance Hub database.

The Foundation for Enterprise Development <http://www.fed.org>

The Foundation for Enterprise Development is a non-profit organization that provides equity compensation and employee ownership strategies to thousands of entrepreneurs and key executives worldwide. The site has an array of useful links and tools of interest to anyone interested in starting their own business.

Garage.com <http://www.garage.com>

Provides assistance and advice to entrepreneurs to help them obtain seed level financing. Identifies and pre-screens high quality investment opportunities matched to investors' identified interests.

MIT Enterprise Forum <http://www.mit-forum-cambridge.org>

Over the past twenty years, the MIT Enterprise Forum of Cambridge has assisted approximately 1,000 companies in a variety of ways — helping them to make their business plans more attractive to financial resources, build management teams, focus on specific markets, develop strategic alliances, and providing education programs.

Bplans.com <http://www.bplans.com>

Palo Alto Software publishes the market leading business plan software, and also has an excellent free information site at Bplans.com — you can find out about the software behind it all here.

Quicken: Small Business. Intuit, Inc.

http://www.quicken.com/small_business

Includes news and trends, advice, chat rooms, and questions and answers. Lets you customize the site with industry news.

The Small Business Advisor <http://www.isquare.com>

Site includes articles of interest to small business. Topics include: operations, marketing, selling, legal issues, and customers. Site also has books for sale, daily marketing tips, tax hints, a glossary, and a list of small business associations.

Entrepreneur.Com <http://entrepreneur.com>

This website contains more than 30,000 pages of small business content with 33 industry experts who will answer user questions and conduct hosted chats on a wide variety of topics. The site also includes 11 databases to help users to locate anything from banks to business opportunities, and services such as a barter network, business financing, lawyers, personnel, and Web developers.

Small Business Administration. Washington, DC: U.S. Small Business Administration. <http://www.sbaonline.sba.gov>

The Small Business Administration's home page provides information on starting, financing, and expanding a business, and includes an extensive list of great business hot-links and a library of business shareware.

Small Business Centre <http://smallbusiness.ninemsn.com.au>

From the Channel Nine stable of webpages that run complementary to current television shows, the Small Business Centre offers practical advice, tools and services for small business operators.

Smallbusiness.gov.au <http://www.smallbusiness.gov.au>

A useful online directory of small business information provided by various Australian government departments and agencies.

I hope that you enjoy your studies this semester and are able to pick up some insights and new learning that will be useful to your future.

Julian Yim

Appendix 1

First Screen for Feasibility Analysis (Template)

From "Preparing Effective Business Plans" by Bruce R. Barringer

Part 1: Strength of Business Idea

For each item, circle the most appropriate answer and make note of the (-1), (0), or (+1) score.

	Low Potential (-1)	Moderate Potential (0)	High Potential (+1)
1. Extent to which the idea: <ul style="list-style-type: none">• Takes advantage of an environmental trend• Solves a problem• Addresses an unfilled gap in the marketplace	Weak	Moderate	Strong
2. Timeliness of entry to market	Not timely	Moderately timely	Very timely
3. Extent to which the idea "adds value" for its buyer or end user	Low	Medium	High
4. Extent to which the customer is satisfied by competing products that are already available	Very satisfied	Moderately satisfied	Not very satisfied or ambivalent
5. Degree to which the idea requires customers to change their basic practices or behaviors	Substantial changes required	Moderate changes required	Small to no changes required

Part 2: Industry-Related Issues

	Low Potential (-1)	Moderate Potential (0)	High Potential (+1)
1. Number of competitors	Many	Few	None
2. Stage of industry life cycle	Maturity phase or decline phase	Growth phase	Emergence phase
3. Growth rate of industry	Little or no growth	Moderate growth	Strong growth
4. Importance of industry's products and/or services to customers	"Ambivalent"	"Would like to have"	"Must have"
5. Industry operating margins	Low	Moderate	High

Part 3: Target Market and Customer-Related Issues

	Low Potential (-1)	Moderate Potential (0)	High Potential (+1)
1. Identification of target market for the proposed new venture	Difficult to identify	May be able to identify	Identified
2. Ability to create "barriers to entry" for potential competitors	Unable to create	May or may not be able to create	Can create
3. Purchasing power of customers	Low	Moderate	High
4. Ease of making customers aware of the new product or service	Low	Moderate	High
5. Growth potential of target market	Low	Moderate	High

Part 4: Founder- (or Founders-) Related Issues

	Low Potential (-1)	Moderate Potential (0)	High Potential (+1)
1. Founder or founders experience in the industry	No experience	Moderate experience	Experienced
2. Founder or founders skills as they relate to the proposed new venture's product or service	No skills	Moderate skills	Skilled
3. Extent of the founder or founders professional and social networks in the relevant industry	None	Moderate	Extensive
4. Extent to which the proposed new venture meets the founder or founders personal goals and aspirations	Weak	Moderate	Strong
5. Likelihood that a team can be put together to launch and grow the new venture	Unlikely	Moderately likely	Very likely

Part 5: Financial Issues

	Low Potential (-1)	Moderate Potential (0)	High Potential (+1)
1. Initial capital investment	High	Moderate	Low
2. Number of revenue drivers (ways in which the company makes money)	One	Two to three	More than three
3. Time to break even	More than two years	One to two years	Less than one year
4. Financial performance of similar businesses	Weak	Modest	Strong
5. Ability to fund initial product (or service) development and/or initial startup expenses from personal funds or via bootstrapping	Low	Moderate	High

Overall Potential

Each part has five items. Scores will range from -5 to +5 for each part. The score is a guide—there is no established rule-of-thumb for the numerical score that equates to high potential, moderate potential, or low potential for each part. The ranking is a judgment call.

	Score (-5 to +1)	Overall Potential of the Business Idea Based on Each Part	Suggestions for Improving the Potential
Part 1: Strength of Business Idea		High potential Moderate potential Low potential	
Part 2: Industry-Related Issues		High potential Moderate potential Low potential	
Part 3: Target Market and Customer-Related Issues		High potential Moderate potential Low potential	
Part 4: Founder- (or Founders-) Related Issues		High potential Moderate potential Low potential	
Part 5: Financial Issues		High potential Moderate potential Low potential	
Overall Assessment		High potential Moderate potential Low potential	

Summary—briefly summarize your justification for your overall assessment: